

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**D.T.E. 01-106-B**

**Investigation by the Department of Telecommunications and Energy on  
its Own Motion, Pursuant to G.L. c. 159, § 105 and G.L. c. 164, § 76, to Increase the  
Participation Rate for Discounted Electric, Gas and Telephone Service**

**Comments of The Berkshire Gas Company**

**September 14, 2005**

The Berkshire Gas Company ("Berkshire" or the "Company") appreciates this opportunity to offer comments on the issue of establishing a specific reconciliation mechanism to recover any revenue shortfall associated with the implementation of a computer- matching program pursuant to D.T.E. 01-106-A (2003). The Company has long been committed to implementing proactive steps to secure benefits for its valued low-income customers, and has worked cooperatively with the Executive Office of Health and Human Services ("EOHHS") to facilitate the execution of the computer-matching program. The Company recognizes that recent market conditions have affected all customers and the Company has worked even more actively to assist its low-income customers.

By way of background, on August 8, 2003, the Department of Telecommunications and Energy ("Department") issued an Order establishing a computer-matching program for electric distribution companies and local gas distribution companies to facilitate the enrollment of eligible customer in utility discount rate programs. Investigation re: Discount Program Participation Rate, D.T.E. 01-106-A. On August 28, 2003, the NSTAR companies filed a motion to reconsider, or, in the alternative, to clarify certain issues related to the timing of the implementation of the computer-matching program established by the Department's Order ("Motion"). In its Order regarding the Motion, the Department held that "... distribution companies may incur a decrease in revenues from increase participation in discount rates once the computer-matching program begins . . . . Therefore, until a Company's next rate case, the

electric and gas companies may recover revenues lost as a result of the low-income subsidy in their next reconciliation filing for electric companies or local distribution adjustment factor filing for gas companies.” D.T.E. 01-106-B, at 8-9 (2004).

Subsequently, on August 16, 2005, Boston Edison Company, Cambridge Electric Light Company, and Commonwealth Electric Company (together, “NStar Electric”), in compliance with D.T.E. 01-106-B, filed proposed tariffs, M.D.T.E. Nos. 110, 210 and 310 with an effective date of September 1, 2005, which would allow the recovery of costs related to the low-income discount rate computer-matching program. The filing was docketed as D.T.E. 05-55. On July 25, 2005, Massachusetts Electric Company and Nantucket Electric Company (together, “MECO”) filed a similar proposed tariff, M.D.T.E. No. 1086 with an effective date of September 1, 2005. The filing was docketed as D.T.E. 05-56. The Department suspended all of the tariffs until November 1, 2005, and, in order to establish a uniform cost recovery mechanism for all electric and gas distribution companies, consolidated the investigation of D.T.E. 05-55 and D.T.E. 05-56 with its investigation of electric and gas distribution company compliance with the directives contained in D.T.E. 01-106-B.

Berkshire has reviewed NStar Electric's and MECO's Residential Assistance Adjustment Clause (“RAAC”) tariffs and supports their implementation. Specifically, the Company agrees with the calculation of the Residential Assistance Adjustment Factor (“RAAF”) in that the lost revenues should be derived utilizing the net incremental customers participating in the discounted rates as a direct result of the EOHHS computer-matching program. Further, the Company concurs that the RAAF should contain a reconciliation provision whereby the number of matching customers' and their actual usage is netted against the revenue collected via the RAAF. Finally, Berkshire accepts the provision that the RAAF shall be effective initially on the date on which the Company commences enrolling new incremental customers on its discounted rates as a result of the EOHHS computer-matching program. Accordingly, the Company submits that the Department should approve the NStar Electric and MECO tariffs.

The Company also recognizes that there are likely benefits to a standardized process for reconciling the added discount associated with the computer-matching program. The Company respectfully requests that the Department consider the benefits of standardization as it reviews these electric company tariffs and establish clear parameters for a similar adjustment mechanism for the natural gas industry.

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